

TAB

CIA INTERNAL USE ONLY

28 March 1956

MEMORANDUM FOR THE RECORD

SUBJECT: Meeting of Representatives of CIA, PBS and Architect

1. On 28 March 1956, from 1000 until about 1230, a meeting was held in the office of Mr. Otis Poss, at which the following persons were present: George Johnston of Harrison - Abramovitz; Charles Palmer, Chief Estimator, PBS; L. L. Hunter, Supervising Architect, PBS; Mr. Dominick, PBS; Mr. Ambrose, PBS; [redacted]

[redacted] Mr. Poss did not arrive until the meeting was nearly over and Mr. Palmer presided.

2. The purpose of the meeting was to discuss generally with the architect's representative the proposed contract and to permit him to raise any questions that he might have, but as the meeting developed, all of Johnston's questions were tied to the contract. A copy of the tentative contract, as discussed today, and a copy of the final contract, as signed, will become a part of our Building files, so the provisions are not repeated here.

3. The two items of the contract most likely to produce controversy are the provision relating to supervision of construction and that relating to the architect's fee. Other provisions are standard and seemed acceptable to all parties.

4. The architect, under this contract, would make seven submissions and be paid in six installments, and a final payment.

a. Schematics, according to Mr. Johnston, are now available and will be discussed at the next meeting.

b. Diagrammatics are to be delivered by the architect prior to 10 May, so that PBS can approve them and have them to us by 15 May for the presentation to Congress. We requested Mr. Johnston to provide the preliminary site plans which will accompany the diagrammatics earlier, if possible, so that CIA may make a submission to the NCPC. (Mr. Hunter is familiar with the NCPC requirements and offered to assist us in getting our presentation together.) Upon approval of the diagrammatics, the architect will receive 8% of his fee. Normally, PBS would require two weeks for review and approval at this stage but will expedite it because of the time element involved.

CIA INTERNAL USE ONLY

c. Tentative sketches, project directive, standard estimate of costs by trades, detailed model. The usual approval time here is three weeks and, upon approval, the architect will receive an additional 14% of his fee.

d. Preliminary working drawings. If PBS is satisfied that the submission constitutes 25% or more of the total drawings, they will make a payment of an additional 15% of the fee. A few days will be enough for approval here.

e. Intermediate working drawings and landscape plan. This submission is to be made by the architect when the drawings are 40% to 60% completed. Review and approval requires three weeks. Upon approval, an additional 15% of the fee will be paid.

f. A submission for payment purposes only (as in d.) when the drawings are 75% completed. When PBS is satisfied that this degree of completion has been reached, an additional 20% will be paid to the architect.

g. Final working drawings and specifications to be submitted to PBS by 1 March 1957. Upon approval, an additional 20% of the fee will be paid. The remaining 8% will be held until the architect has completed additional drawings, as needed, and approved all shop drawings; it will not have to wait for final construction of the building.

5. Mr. Hunter states that he believes the following will be necessary for our presentation to Congress on or after 15 May:

- a. diagrammatics with preliminary site plans;
- b. cost estimate by square foot and by cubic foot;
- c. block model;
- d. preliminary perspective sketch;
- e. a schedule to be drawn up by the architect of the dates upon which his drawings will be submitted;
- f. a schedule to be drawn up by PBS covering the commitment of funds in the course of letting contracts and completing construction.

**CIA INTERNAL USE ONLY**

g. Mr. Hunter also suggested that Fine Arts Commission approval would be desirable. He anticipates no difficulty in securing it and feels that it would be effective with the Congress

h. As discussed in an earlier memorandum, we have the problem of an additional presentation to the NCPC. There would be merit in securing NCPC approval prior to our submission to Congress. It is for this reason that we request the architect's representative to provide us with the preliminary site plans as soon as they become available.

6. On the subject of fees, Mr. Palmer stated that the architect's fee is based upon a curve which takes into account the complexity of the building and its total cost. On the assumption that the building here would cost slightly under \$42,000,000 (the remaining \$4,000,000 plus to cover architect's fees, PBS costs and contingencies, \$1,700,000 being reserved for the last), the proper fee would be about 3 1/4% of this figure. Mr. Johnston stated that, on the basis of their experience, 3 1/4% just covered their costs. The matter was left there, with general agreement that this, after all, was a fact-finding, and not a fee-setting meeting, and that fees could be discussed at the next meeting after Mr. Johnston had relayed today's information to his principals.

7. The standard PBS practice, as they expressed it today, and as it is embodied in the proposed contract, is for PBS to supervise construction, rather than the architect. Mr. Johnston had a listing of points he thought the contract should cover; and it included a provision for a chief architect engineer, who would be the top supervisor, and two assistants, all provided by the architect. PBS stated that their statutory responsibilities require them to undertake inspection even if the architect participated in supervision. They indicated their willingness to have the architect visit the site at any time and stated that they would make no changes of significance without consulting him; there is, however, no provision in the contract to this effect.

8. PBS inquired about CIA program requirements (ie, amount of space and its distribution). We informed PBS that we had already provided this information to the architect, and [redacted] said he would be happy to make it available to the PBS.

9. It is tentatively decided that we will try to get the architects down to Washington during the week of 5-9 April for several days in order to negotiate the contract and also to have internal discussion with them in CIA.

FOIAB3B

FOIAB3B

[redacted]  
Assistant General Counsel

cc:

[redacted]  
Building Planning Staff

Distribution: Approved For Release 2003/03/06 : CIA-RDP58-00453R000300130139-6

Subject

Signer

Chrono